



# BUDGET — IN — BRIEF

7-1-18 FY2019 6-30-19

## CITY OF WINCHESTER'S

# BUDGET FUNDS & PLANS

### *THE CITY'S FUNDS*

The accounts of the City are organized into funds. A fund is a group of related accounts used to control money that has been earmarked for specific activities or objectives. By keeping revenue in its appropriate funds, the City is able to obey laws that require certain money to be spent on specific uses. That means the City may not increase water bills to pay for police services, for example. Of the City's adopted budget, most of the big spending decisions occur within the City's General Fund.

### *GENERAL FUND*

The fund where the City has the most discretion is the General Fund. The two major sources of funding for the General Fund are general property taxes and other local taxes combined. These two sources make up 80.4% of the General Fund budget.

### *CAPITAL IMPROVEMENT PLAN (CIP)*

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include projects such as street construction, public buildings, traffic systems, park improvements, sewers, water infrastructure, etc. Capital projects tend to be costly, so the City may issue bonds to help cover the cost. The City uses the cash received from bond sales to pay for capital projects, and repays investors over time at tax exempt interest rates determined by competitive bids received at the time the bonds were issued. This process is similar to a homeowner taking out a home improvement loan to complete a major home repair project.

### *INFORMATION TECHNOLOGY PLAN (ITP)*

The ITP is a five-year forecast of the City's information technology needs to maintain the efficiency of City services and the safety of staff.

### *EQUIPMENT REPLACEMENT PLAN (ERP)*

City Council recognizes the importance of providing employees with the tools they need to do their jobs. To address this need, the ERP serves as a dedicated revenue source for future equipment funding.



# STRATEGIC PLAN

## GOAL 1



### ENCOURAGE

Encourage sustainable economic growth and partnerships through business and workforce development

#### GOAL 1 OBJECTIVES

- A. Increase effectiveness of workforce development efforts by building on existing collaborative partnerships between the City and local organizations
- B. Increase effectiveness of business retention, attraction, and expansion efforts
- C. Support local businesses through destination branding and marketing to visitors

## GOAL 2



### PROMOTE

Promote and accelerate revitalization of catalyst sites and other areas throughout the city

#### GOAL 2 OBJECTIVES

- A. Continue promoting redevelopment or development of previously identified catalyst sites
- B. Identify additional targeted areas and promote redevelopment or development of areas not previously identified as catalyst sites

## GOAL 3



### ENHANCE

Enhance the quality of life for all Winchester residents by increasing cultural, recreational, and tourism opportunities; enhance and maintain infrastructure; and promote & improve public safety

#### GOAL 3 OBJECTIVES

- A. Increase cultural, recreational, and tourism related opportunities in Winchester
- B. Develop and maintain Winchester's infrastructure
- C. Promote and improve community safety

## GOAL 4



### IMPROVE

Improve City services and advance the strategic plan goals by promoting a culture of transparency, efficiency, and innovation

#### GOAL 4 OBJECTIVES

- A. Implement cost-saving innovative internal strategies to improve efficiency
- B. Increase government transparency and communication capabilities
- C. Enhance service delivery to residents, economic partners and visitors

**Mission:** To provide a safe, vibrant, sustainable community while striving to constantly improve the quality of life for our citizens and economic partners.

**Vision:** To be a beautiful, vibrant city with a historic downtown, growing economy, and great neighborhoods with a range of housing options and easy movement

# CAPITAL IMPROVEMENT PLAN (CIP)

FY2019

## ROADS & TRAILS



- \$500,000** Traffic signal improvements
- \$1,000,000** Hope Drive extension
- \$200,000** Green Circle Trail

## BUILDINGS & EQUIPMENT



- \$1,500,000** Handley Library improvements
- \$4,000,000** Public Services maint. facility
- \$250,000** WPS Innovation Center
- \$4,000,000** Water Treatment Plant improvements

## SIDEWALKS & STORMWATER DRAINAGE



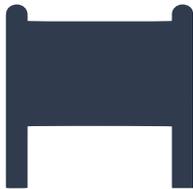
- \$1,500,000** Sidewalk improvements
- \$1,500,000** N. Cameron Street drainage
- \$500,000** Valley Ave. drainage & sidewalks

## PARKS



- \$100,000** Lowery Tennis Courts resurfacing
- \$640,000** Park Maintenance building
- \$40,000** Russ Potts Courts resurfacing

## OTHER



- \$1,020,000** Fire ladder truck
- \$75,000** Entryway welcome signs
- \$250,000** Pedestrian Mall safety bollards

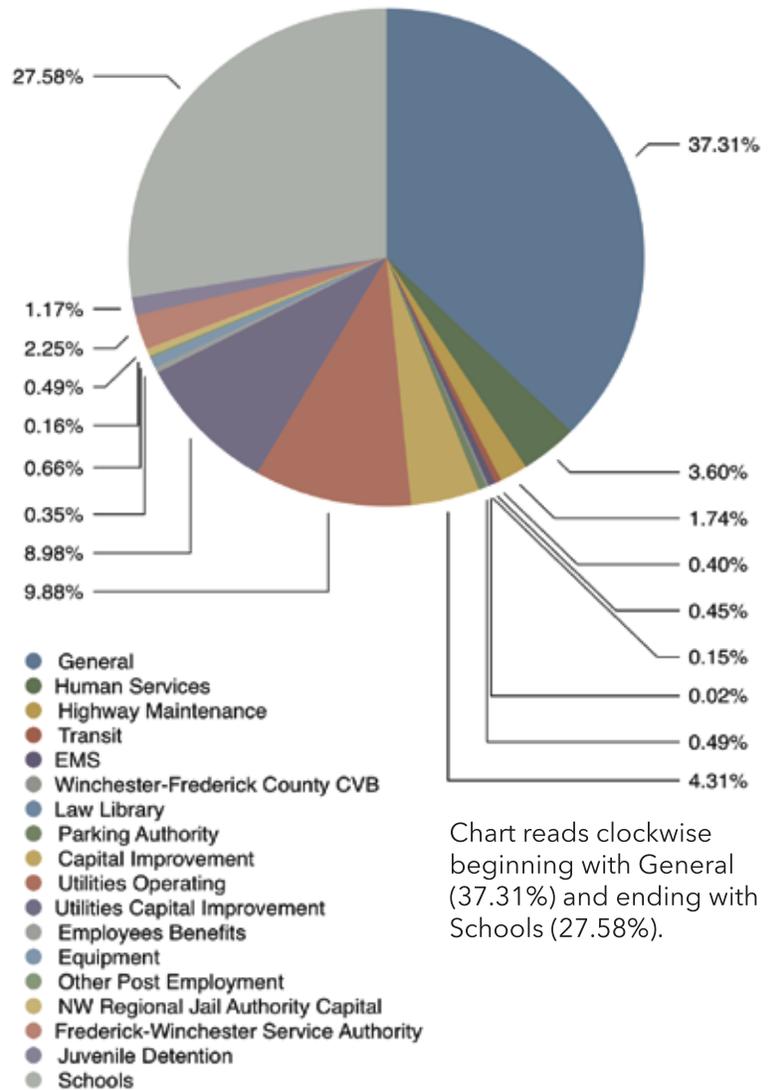


*New to the Online Budget Transparency Tool portal*

Check out the City's online budget transparency tool for current revenue and expenditure information, updated monthly. Now you can view year-to-date payments made to vendors doing business with the city government!

# ADOPTED BUDGET FY2019

All Funds	FY19 Adopted Budget	Difference from FY18 (+/-)
General	\$93,654,000	\$4,554,000
Human Services	\$9,042,000	\$1,112,000
Highway Maintenance	\$4,380,000	\$112,000
Transit	\$1,007,000	-\$314,000
EMS	\$1,125,000	\$0
Winchester-Frederick County CVB	\$374,000	-\$19,000
Law Library	\$50,000	\$0
Parking Authority	\$1,230,000	-\$12,000
Capital Improvement	\$10,825,000	-\$8,570,000
Utilities Operating	\$24,805,000	\$2,025,000
Utilities Capital Improvement	\$22,550,000	\$11,550,000
Employee Benefits	\$885,000	-\$115,000
Equipment	\$1,655,000	\$93,000
Other Post Employment	\$400,000	\$0
NW Regional Jail Authority Capital	\$1,220,000	\$5,000
Frederick-Winchester Service Authority	\$5,647,000.00	\$154,000
Juvenile Detention	\$2,948,000.00	\$122,000
Schools	\$69,224,114.00	\$1,499,751
<b>Budget Total</b>	<b>\$251,021,114.00</b>	<b>\$12,196,751</b>



**UTILITIES  
CAPITAL IMPROVEMENT**



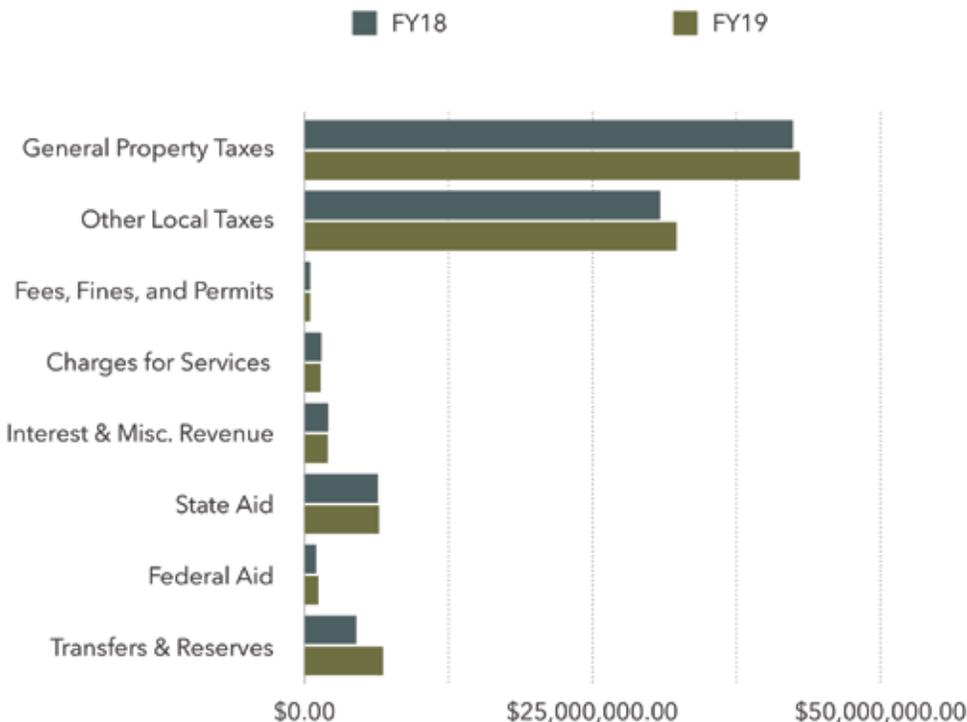
**\$22,550,000**

Investment in upgrades to the City's water distribution system in FY19

# ADOPTED BUDGET FY2019

## GENERAL FUND - REVENUES

Revenues	FY18	FY19	% of FY19 Budget
General Property Taxes	\$42,402,300	\$42,986,900	45.9%
Other Local Taxes	\$30,873,500	\$32,301,500	34.5%
Fees, Fines, and Permits	\$451,800	\$470,800	0.5%
Charges for Services	\$1,465,800	\$1,380,900	1.5%
Interest & Misc. Revenue	\$2,039,000	\$2,002,500	2.1%
State Aid	\$6,357,100	\$6,472,900	6.9%
Federal Aid	\$1,007,000	\$1,201,400	1.3%
Transfers & Reserves	\$4,503,500	\$6,837,100	7.3%
<b>Total Revenues</b>	<b>\$89,100,000</b>	<b>\$93,654,000</b>	<b>100%</b>



### OTHER LOCAL TAXES

<b>\$9,800,000</b>	State sales tax
<b>\$2,005,000</b>	Utility
<b>\$6,592,500</b>	Business licenses
<b>\$1,280,000</b>	Franchise
<b>\$665,000</b>	Cigarettes
<b>\$140,500</b>	Admissions
<b>\$8,330,500</b>	Meals
<b>\$1,001,000</b>	Motel
<b>\$4,000</b>	Short-term rental
<b>\$2,150,000</b>	Communications
<b>\$333,000</b>	Other
<b>\$32,301,500</b>	<b>Total</b>

### GENERAL PROPERTY TAXES

<b>\$29,958,000</b>	Real estate
<b>\$10,903,900</b>	Personal property
<b>\$2,125,000</b>	Machinery & tools
<b>\$42,986,900</b>	<b>Total</b>

# ADOPTED BUDGET FY2019

## GENERAL FUND - EXPENDITURES

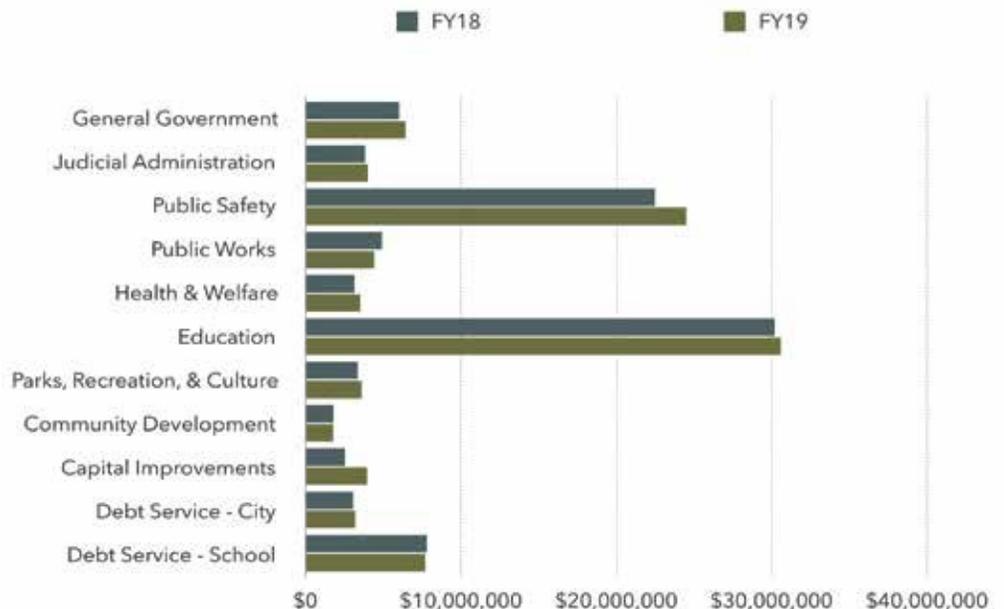
Expenditures	FY18	FY19	% of FY19 Budget
General Government	\$6,015,300	\$6,430,446	6.9%
Judicial Administration	\$3,847,050	\$4,008,825	4.3%
Public Safety	\$22,461,740	\$24,495,203	26.1%
Public Works	\$4,908,500	\$4,418,700	4.7%
Health & Welfare	\$3,147,432	\$3,525,500	3.8%
Education	\$30,179,557	\$30,553,322	32.6%
Parks, Recreation, & Culture	\$3,343,920	\$3,609,320	3.9%
Community Development	\$1,792,201	\$1,773,384	1.9%
Capital Improvements	\$2,540,000	\$3,955,000	4.2%
Debt Service - City	\$3,055,100	\$3,190,500	3.4%
Debt Service - School	\$7,809,200	\$7,693,800	8.2%
<b>Total Expenditures</b>	<b>\$89,100,000</b>	<b>\$93,654,000</b>	<b>100%</b>



### END OF YEAR RESERVES

**\$26,309,275** FY2018 (estimate)  
**\$25,087,710** FY2017  
**\$20,128,383** FY2016  
**\$22,082,376** FY2015  
**\$22,241,458** FY2014

**CITY RESERVES** The City's "rainy day fund" for unexpected expenses & emergencies.



# YOUR TAX DOLLAR AT WORK

## FY2019 GENERAL FUND



**5.3%**

Virginia sales tax rate

The City receives 1% back from purchases made in the city.

	<b>EDUCATION*</b>	41¢
	<b>PUBLIC SAFETY</b>	26¢
	<b>GENERAL GOVERNMENT</b>	7¢
	<b>PUBLIC WORKS</b>	5¢
	<b>JUDICIAL ADMINISTRATION</b>	4¢
	<b>HEALTH &amp; WELFARE</b>	4¢
	<b>PARKS, RECREATION, &amp; CULTURE</b>	4¢
	<b>CAPITAL IMPROVEMENTS</b>	4¢
	<b>CITY DEBT</b>	3¢
	<b>COMMUNITY DEVELOPMENT</b>	2¢

\*Includes 8¢ debt service.



**10.5%**

Percentage of general fund revenue provided by sales tax



**45.9%**

Percentage of general fund revenue from property tax

# TAX COMPARISON

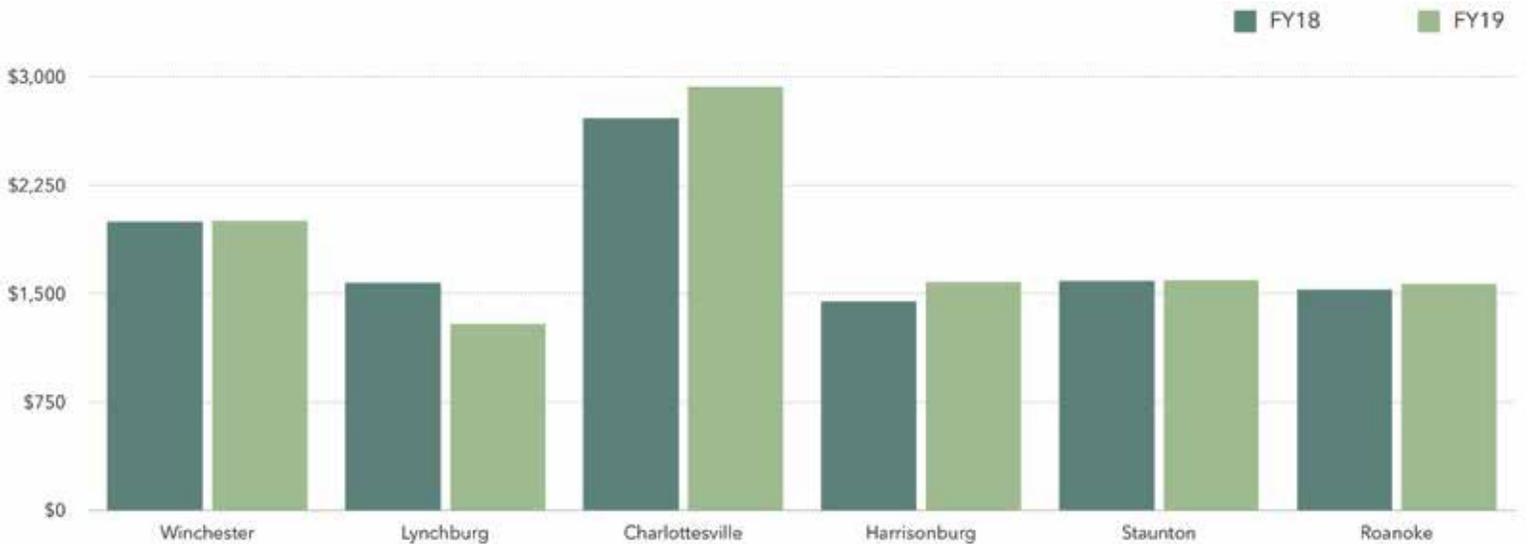
## SALES TAX COLLECTION



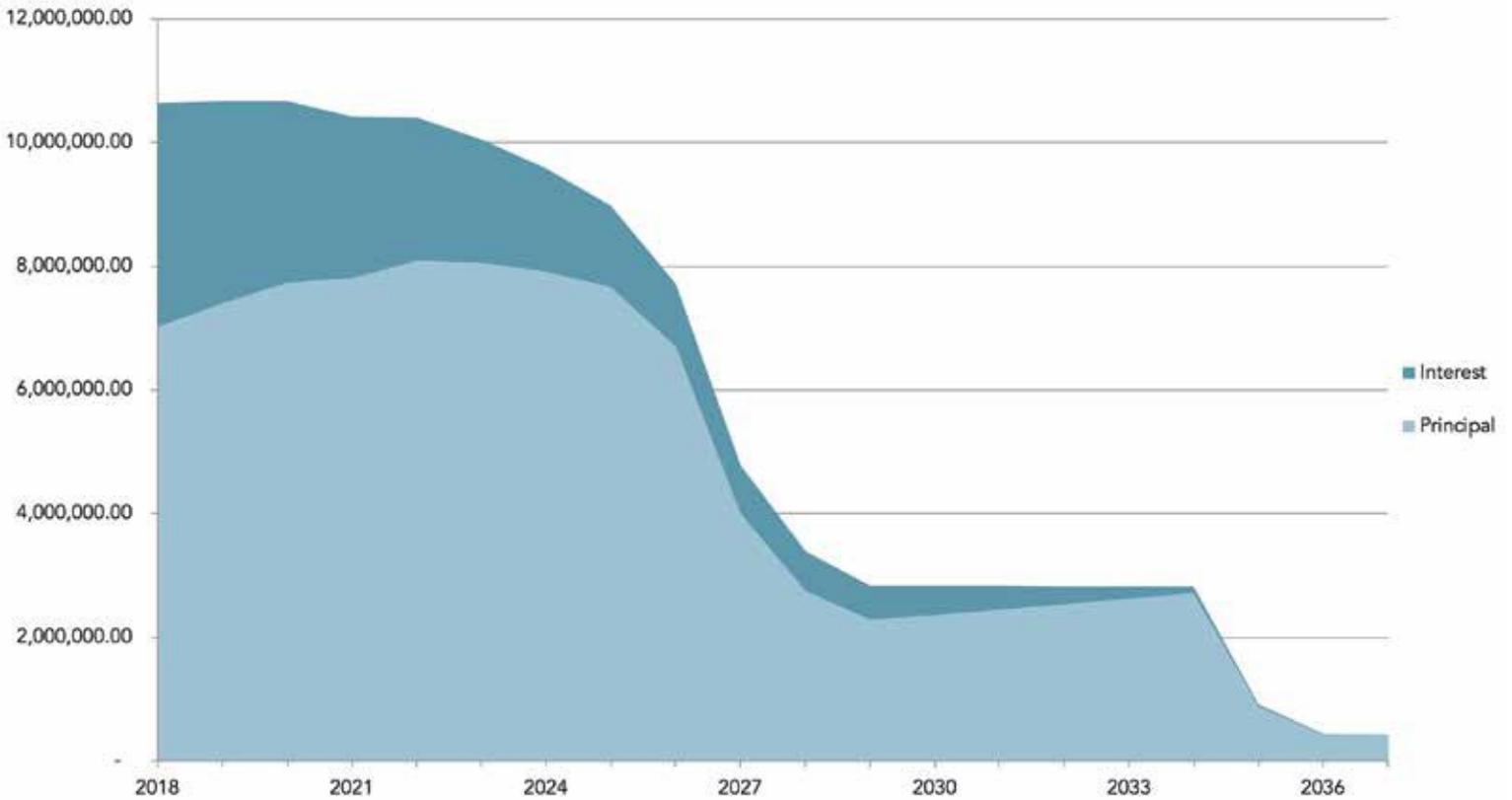
Virginia City	Population	FY16	FY17
Staunton	24,528	\$4,079,919	\$4,039,658
Williamsburg	15,031	\$4,298,743	\$4,388,596
Manassas	41,501	\$8,055,066	\$8,489,012
Winchester	27,932	\$9,086,187	\$9,431,564
Frederickburg	28,360	\$11,176,401	\$11,376,302
Fairfax City	24,097	\$11,386,402	\$11,378,574
Charlottesville	48,019	\$11,466,250	\$11,670,485
Harrisonburg	54,215	\$12,994,785	\$13,207,791
Lynchburg	80,995	\$14,995,131	\$15,351,347

## PROPERTY TAX BILLS (AVERAGE)

Virginia City	Population	FY18	FY19
Winchester	27,932	\$1,999	\$2,003
Lynchburg	80,995	\$1,573	\$1,292
Charlottesville	48,019	\$2,712	\$2,931
Harrisonburg	54,215	\$1,448	\$1,580
Staunton	24,528	\$1,587	\$1,594
Roanoke	99,660	\$1,531	\$1,567



# CITY OF WINCHESTER'S DEBT PROFILE



Year	Principal	Interest
2018	\$7,020,569	\$3,608,481
2019	\$7,388,901	\$3,288,584
2020	\$7,741,602	\$2,924,179
2021	\$7,803,671	\$2,609,888
2022	\$8,096,642	\$2,308,912
2023-2027	\$34,335,459	\$6,774,652
2028-2032	\$12,380,000	\$2,339,356
2033-2037	\$7,070,000	\$338,880

The City pays principal and interest payments at various pre-determined times throughout the year to pay for previously issued debt for major capital projects. The City's Utility Fund also has revenue bonds that are paid for by the water and sewer revenues, while the Parking Authority has revenue bonds that are paid for by the fees charged in the garages and other revenues generated by the Authority.

# FINANCIAL REPORTING RECOGNITION



## **DISTINGUISHED BUDGET PRESENTATION AWARD**

Received from the Government Finance Officers Association of the United States and Canada for the 5th consecutive year for the City's FY17 budget document, this is the highest form of recognition in government budgeting.



## **CERTIFICATE OF ACHIEVEMENT IN FINANCIAL REPORTING**

Received from the Government Finance Officers Association of the United States and Canada for the 26th consecutive year for the City's comprehensive annual financial report (CAFR), this is the highest form of recognition in government accounting and financial reporting.



## **HIGHEST POSSIBLE BOND RATING**

Received a AAA bond rating from Standard & Poors, the highest possible bond rating, in addition to an Aa2 rating from Moody's and an AA+ from Fitch. Rates reflect sound financial management, safety of investing in City bonds, and allows the City to borrow at low interest rates

# ANNUAL BUDGET CALENDAR

## **NOVEMBER**

Budget discussions begin internally

## **DECEMBER**

Deadline for departments to submit budget requests to Finance for review

## **FEBRUARY**

Finance Department submits budget requests to City Manager for review with department directors

## **MARCH**

City Manager reviews budget options with City Council

## **APRIL**

City Manager submits the proposed budget and budget message to City Council

## **MAY**

Advertisement submitted to newspaper for final budget hearing

## **JUNE**

Council adopts budget and Capital Improvement Plan (CIP)

## **JULY**

Budget and CIP printed and distributed

## CONTACT US

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